



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: July 12, 2011

TO: Mayor and Councilmembers

FROM: Administrative Services, Human Resources Division

SUBJECT: Salary and Benefits Continuation For City Employees on Active Military Duty Leave of Absence

RECOMMENDATION:

That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Authorizing the Continuance of Employee Salary and Benefits During a Military Leave of Absence Effective May 1, 2011.

DISCUSSION:

The City of Santa Barbara complies with Federal and State Military Leave Laws and Codes for employees serving in the military reserve or National Guard. Compliance with state and federal law is generally sufficient for the short term recalls; however, when reservists are recalled for significant periods of time, some employees and their families may experience financial hardship.

In order to support City employees while they are serving our country, in October 2001, City Council first approved, for a six month period, salary differentials and benefit continuation to those employees called to active military duty due to the terrorist action on September 11, 2001. Council then further approved differentials and benefit continuation in April 2002, May 2003, May 2004, October 2005, and March 2007. Since October 2001 9 employees have been eligible for the City's military leave salary differential and benefit continuation at a cost of approximately \$192,555. City staff recently contacted 14 local public agencies and 12 of those agencies continue to offer a military leave salary differential and benefit continuation package.

Currently a Police Officer and a Public Works Supervisor are to be deployed on active duty for approximately 12 months. The City-paid salary differential is the difference between the amount the employee receives from their regular City gross biweekly wage (not including overtime), and the amount the employee receives from the military, including all allowances (from the employee's Military Leave and Earning Statements). The City receives the military earning forms so that the differential can be accurately calculated. The salary differential is subject to Federal, State and Medicare taxes and, if applicable,

would be part of the employee's W-2 wages at the end of the year. The City-paid portion of health insurance and retirement are also continued. The attached resolution would ensure that the salary and benefits for these City employees and their families are not interrupted while serving on Active Military Leave for an indefinite period of time. At any time, Council may cancel this policy by adopting a new resolution.

BUDGET/FINANCIAL INFORMATION:

The projected total cost for 12 months of salary and benefit continuation for the two employees who will be on active military duty is estimated to be \$88,891, plus adjustments, if any. No additional appropriations are necessary since the monies are already in both the Police and Public Work's Department's Fiscal Year 2011 and 2012 budgets.

PREPARED BY: Christie Lanning, Human Resources Analyst

SUBMITTED BY: Marcelo López, Administrative Services Director

APPROVED BY: City Administrator's Office